FOR MYSORE STATE

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(1950) Department

MS SERIES.

Letter
~~G.O.~~ NO. 161 Ff 1 A

161

Dated 25.1.50

[Despatch Abstract.]

Agriculture - 9. C. Scheme - Scheme NO 4. Of the 2nd 5 year plan - Purchase of tractors and equipments during 50-51 - Import licence and dollar exchange - Requested.

URGENT AGRICULTURAL DEPARTMENT.

From:

Sri B.M. Lakshmipathy, B.E.M.E.,
M.R.A.S.E.,

Joint Director of Agriculture,

Rushkyrum, Mount Road, Madras.2.

To

The Secretary to Government,

Food and Agriculture Department,

Fort. St. George, Madras.

No.T. 1.1518/49 dated 6th October, 1949.

Sir,

Sub: Committtees - Cabinet Sub-committee for Food Production - on 14-10-49 Subjects for consideration

Ref: Food and Agriculture department Memorandum No.42630 L/49-1 dated 27--9-1949-

---

I submit the following proposal for admission as an item in the agenda for the proposed meeting of the Cabinet committee for food production on 14-10-1949.

(1) Purchase of 50 nos. D.6 caterpillar tractors with bull dozing attachments for the reclamation and cultivation of virgin areas according to the new Two year Plan during 1950-51.

2. This was discussed at the meeting of the Agricultural Machinery Advisory Committee held in my office on 13-9-49 and it was the expressed opinion of all the members that the Caterpillar Make was about the best in the market ~~was about the best in the market~~ and that 50 nos. d. 6 caterpillar machines may be got by approaching the Government of India for a special permit, as there are not other suitable equivalent machines either in the sterling areas or in other non-dollar zones.

3. It is requested that the Government of India, Ministry of Agriculture, New Delhi, may kindly be addressed now to grant necessary import licence and dollar sanction for these 50 D.6 machines as a preliminary measure. This course of action is now considered extremely urgent so that the acquisition of the 50 caterpillar tractors with bull dozers may be proceeded expeditiously, atleast during 1950-51.

JOINT DIRECTOR OF
AGRICULTURE.

(TRUE COPY)

V.N.M.
6/6/

FOOD AND AGRICULTURE.

Memorandum No. 44924 M/49-3 dated 19--10--1949.

Sub: AGRICULTURE - Grow More Food - Two Year Plan for Intensive Cultivation Schemes - Scheme No. 4. Purchase of 50 tractors during 1950-51.

Ref: From the Joint Director of Agriculture, letter No. T. 1.1518/49 dated 6-10-1949.

The Joint Director of Agriculture is informed that it appears to be rather inopportune now to apply to the Government of India for dollar exchange and import licence for 50 caterpillar tractors proposed to be purchased during 1950-51 when the Government of India are very rigorous about dollar exchange. It is not clear why the Joint Director has proposed the purchase of 50 tractors other than caterpillar type during 1949-50 from the ready stocks of local firms, under schemeNo.4 of the Two year Plan, if as he says, Caterpillar tractors with bulldozer attachments are the best. This point may be elucidated. As the purchase of 50 tractors from dollar area will be much costlier than from Sterling area, the Joint Director of Agriculture is requested to consider why arrangements should not be made for the purchase of 50 tractors of equivalent make during 1950-51 from the sterling areas.

2. It is proposed to place the proposal for preliminary action for the purchase of 50 caterpillar tractors (or their equivalent from sterling area) during 1950-51 before the next meeting of the Cabinet Sub-Committee on 5--11--1949. The Joint Director of Agriculture is therefore, requested to furnish immediately approximate estimates of the cost of the 50 tractors together with equipment and spare parts and the cost of fuel oils, staff etc., required for them for the consideration of the Government.

A reply is requested before 26-10-49 without fail.

for Minister
ed by V. Rajagopalan

N. Murugasa Mudaliar,
Assistant Secretary to Government.

The Director of Agriculture.
S.C.

/true copy/ vn.m.

AGRICULTURAL DEPARTMENT.

From

Sri. B.N. Lakshmipathy, B.E.M.E.
M.R.A.S.E.,

Joint Director of Agriculture,
'Rushkyrum'
2, C lub House Road, Mount Road,
M_a_d_r_a_s_. 2.

To

The Secretary to Government,

Food and Agricultural Department,

Fort. St. George, Madras.

T. 1. 1518/49 dated 23-10-1949

Sir,

Sub: Agriculture - Grow More Food - Two Year Plan for Intensive Cultivation Schemes - Scheme No.4 Purchase of 50 D.6 Caterpillar Tractors during 1950-51 - Estimate of cost furnished.

Ref: Government memo (Food and agriculture) Memorandum No. 44924/M/49 - 3 d/19-10-49.

The main consideration for having proposed to purchase during 1949-50 fifty tractors other than caterpillar type is due to the present restrictions of Import licence and dollar sanction and to cover the target already fixed under scheme No.4 of the Two year plan. Secondly, the tractors already proposed are reported to be readily available from the over all stocks in this country as the nearest equivalent to the Caterpillar type is the I.H.C. Tractors which have also established a world wide reputation.

2. Among the various types of the machines in the market, the caterpillars are the best having an experinece of over a century and a half in the field. Commanding the greatest local demand their availability for export market is very limited. There are no ready stocks of D 6 tractors available in India and hence this ispreposed for obtaining special sanction.

3. A statement showing the approximate estimate of cost for the fifty D.6 Tractors with equipment is enclosed.

sd. B.M. Lakshmipathy,
Joint Director of Agriculture.

(TRUE COPY)

RECURRING EXPENDITURE FOR 50 TRACTORS (FOR 260 WORKING DAYS IN A YEAR.)

FUELS AND LUBRICANTS ETC.

	Rs.
Cost of 2,34,000 gallons of H.S.D. OIL.	2,92,500
6,500 gallons of petrol.	15,440
13,000 " of lubericants.	52,000
26,000 lbs " of grease.	19,500
cotton waste.	9,750
Godown rent for 15 places (Approx)	9,000
Transport charges. (L.S.)	20,310
	4,18,500

OPERATING STAFF:

Pay of 50 Senior Drivers at Rs.50 p.m. for one year.	30,000
do 50 Junior Drivers at Rs.40 p.m. ferone year.	24,000
do 50 cleaners at Rs.20/- p.m. for one year.	12,000
do 12 senior mechanics at Rs.70/- p.m.. for one year	10.080

Dearness allowance at Rs.22/- p.m. for 1 year for 50 Senior Drivers.	13,200
Dearness allowance at Rs.21 p.m. for 1 year for 50 Junior Drivers.	12,600
Dearnessallowance at Rs.24/- p.m. for one year for 12 Senior Mechanics.	3,456
Dearness allowance at Rs.18/- p.m. for 1 year for 50 cleaners.	10,800
Travelling allowance at Rs.50/- p.m. for 50 senior ~~xxxxxxxxx~~ Drivers.	30,000
Travelling allowance at Rs.30/- p.m. for 1 year for 50 Junior divers.	18,000
Travellingallowance at Rs.20/- p.m. for one year for 50 cleaners.	12,000
Travellingallowance at Rs.50/- p.m. for 1 year for 12 Senior Mechanics.	7,200
House rent allowance for cleaners at Rs.50 /- (LS) for1 year,	600
House rent allowance for drivers and mechanics at Rs.100/- p.m. (L.S.) for one year.	1,200
	1,85,136 or 1,85,000

Total working expenditure on fuel oils and driver staff. 6,03,500

1,85,000
4,18,500

6,03,500

RECEIPTS.

Hire charges on 50 S. 6 tractor bull dozer at Rs.100/- per day per machine for 200 days in a year. Rs.10,00,000

sd. B.M. Lakshimpathy,

JOINT DIRECTOR OF AGRICULTURE.

(TRUE COPY)

AGRICULTURE - GROW MORE FOOD - DETAILS FOR THE PURCHASE OF 50D.6 TRACTORS AND ALLIED EQUIPMENTS DURING 1950-51.

S.No.	Details of Tractors & Equipments.	No. required.	H.P.	Fuel used.	Makers representative in India.	Approximate cost Rs.	Total cost approximate Rs.	Remarks.
I (a)	Caterpillar Diesel D. 6 Tractors 60" guage with hydraulic implements control, electric lighting system and street plate.	50	65	Diesel	Messrs. Larsen and Tourbro Ltd.	33,515	16,75,750	
2.(b)	Caterpillar Bull dozer cable operated angling balde type with caterpillar cable control No.24 with spare blades both central end.	50	Equipment.		do	13,184	6,59,200	
(c)	John Deere Truss frame Mould Board plough 6 furrow reducible to 4 furrow.	50	&.		do	2,865	1,43,250	
(d)	John Deere Heavy duty disc Plough 5 furrow reducible to 4 furrow with 28"m discs.	50	,,		do	4,038	2,01,900	
2.	Volume compressors complete with hose	50	Attachment.		do	250	12,500	
3.	Service man toolkits	50	,,		do	1,100	55,000	
4.	Service tools like vice grips ratchet spanners etc.	50	,,		To be purchased locally after calling quotations.	200	10,000	
5.	Hyderulic Jacks varying from 5 to 10 tons.	85	,,		Messrs. Heatly & Greshma Ltd.	700	17,500	
					Total.		27,75,100	

	B.F.	27,75,100
Cost of spare parts about 10% of the total cost.		2,24,900
Grand Total.		30,00,000
Add due to recent devaluation with exchange rate of rupee with American dollars at about 44%		13,20,000Ø
Total.	Rs.	43,20,000

(THUE COPY)

v-n.m.
7/6

Compared by N. Raghavan.

AGRICULTURAL DEPARTMENT.

From

Sri B.M. Lakshmipathy, B.E., M.E.M.
R.A.S.E.,

Joint Director of Agriculture,

Rushkyrum, Mount Road, Madras.

To

The Secretary to Government,

Food and Agriculture Department,

Fort St. George, Madras.

No. T.1. 981/49 dated the 27th October 1949.

Sir,

Sub: Committees - Cabinet Committees for Food Production - Meeting at 3 p.m. on 5--11--1949 - Subjects for discussion.

- - - - - -

Ref: Food and Agriculture Department memorandum No. 47397 L/49 dated 17-x-1949.

* O* O *

In may letters No. T. 1.1518/49 dated 6-10-49, and 23-x-49 I have submitted detailed proposals for the purchase of 50 numbers of D 6 caterpillar tractors with bull dezing attachments for the reclamation and cultivation of virgin areas according to the new Two Year Plan during 1950-51 as called for in Food and Agriculture Department mmmorandum No. 44924 M/49-3 dated 19-x-49. I request that this subject may kindly be included in the agenda for the meeting of the Cabinet Sub-committee for Food Production on 5--11-1949.

sd.

JOINT DIRECTOR OF
AGRICULTURE.

(TRUE COPY)

d by N. Raghavan.

v.n.m.

FOODAND AGRICULTURE.

Draft note for cabinet Sub Committee.

Sub: AGRICULTURE - Grow More Food - Intensive cultivation schemes - scheme No. 4 of the Two Year Plan - Purchase of 50 tractors during 1950-51 - Preliminary action for the procurement of the machinery - Proposal of the Joint Director of Agriculture.

Scheme No. 4 included in the Two Year Plan of Intensive Cultivation Schemes provides for the purchase of 100 tractors during 1950-51 (50 kr with bull dozers and 50 without bull dozers) together with equipment and spare parts at a cost of Rs.46,95,000/- and also for a recurring expenditure of Rs.11,60,000 towards fuel oils, transport charges, Staff etc.

2. The Joint Director of Agriculture has proposed th necessary action for the purchase of 50 caterpillar tractors with bull dozers in 1950-51 maybe intiated even now. He has proposed that the Government of India may be addressed immediately for the grant of necessary import licence and dollar sanction for the purchase of these 50 D. 6 machines. He has reported that this course of action is now considered extremely urgent so that the acquisition of 50 caterpillar tractors with bull dozers may be proceeded with expeditiously during 1950-51.

It has been pointed out to the Joint of Director of Agriculture that it is rather inopportune at present to apply to the Government of India for dollar exchange and import licence for the purchase of the 50 caterpillar tractors during 1950-51 when t he Government of India are very rigorous about dollar exchange. He has therefore been asked to consider the question of purchasing other equivalent makes from t he sterling areas, & and to submit proposals for the purchase of 50 caterpillar tractors or their

equivalents during 1950-51 together with equipments and necessary staff. The Joint Director of Agriculture has now reiterated his proposal for the purchase of 50 tractors of the caterpillar type.

An extract from his letter is given below:-

Among the various types of the machines in the market, the caterpillars are the best having an experience of over a century and a half in the field. Commanding the greatest local demand their availability for export is very limited. There are no ready stocks of D 6. tractors available in India and hence this is proposed for obtaining special sanction.

Estimated cost is reported as follows:-

C O S T.

	Non.Recurring.	Recurring.
1. Cost of 50 tractors with equipments and spare parts.	43,80,000	-----
2. Cost of fuel oils lubricants, Transport charges. etc.	--	4,18,500
3. Cost of staff.		1,85,000
Total.Rs.	43,80,000.	6,03,500
Receipts by hire charges.		10,00,000

The details of the expenditure will be found in the annexure to this note.

3. It may be mentioned in this connection that at the Food Advisory Council meeting held on 15--10--1949, several members suggested that there was a great demand for tractors and bull dozers in various parts of the province. In view of the foregoing and in the interest of the Intensive Cultivation Campaign to attain self sufficiency in food by 1950-51, this department have supported the proposal of the Joint

Director of Agriculture to start preliminary action for the purchase of 50 caterpillar tractors from the dollar area during 1950-51. It has been made clear by this department that the proposal to initiate action to purchase 50 Caterpillar tractors in 1950-51 may be placed before the Cabinet sub-Committee with the explanation that the expenditure is not likely to be incurred in 1949-50 except in the very unlikely event of some shipments coming through before the end of March 1950. The first hurdle, if the Cabinet committee agrees to the proposal, is to get sanction for an import licence in favour of M/s Larsen and Toubro Limited for the import of these 50 tractors from the dollars area which will necessarily take time and that is the justification for tking action even now.

The finance dept have however advised that the proposals to purchase or to make arrangements to purchase 50 more tractors at a cost of 43 lakhs in 1950-51 may be postponed for the present in the circumstances explained below.

xxxx

6. The two Year Plan approved by the Government no doubt provides for the purchase of 100 tractors in 1950-51. It cannot on that score be said that arrangements for the purchase of 100 tractors in 1950-51 should automatically be made, without regard to other considerations or circumstances. The prices have gone up very much since then and 50 tractors with equipment and spare parts which were expected to cost only 27-10 lakhs will now cost about 43-20 lakhs or an increase of nearly 60%. The Government of India have declined to give any subsidy for this scheme.* Further 50 tractors are already proposed to be purchased in the current year and there are also about 157 tractors available with the Agricultural department. It is yet to be seen as to what demand there will be for th hiring of these tractors in this province particularly when the rate of hire is going to be as high. It is unlikely that many in our Province will be able to afford to hire these tractors at such a costly rate and to put them to use in their fields. The scheme is bound to result in considerable loss particularly if the

* The effect of this will be a loss of about 3 lakhs recurring on the basis of the figures given in the pamphlet at (N)

the initial cost is bloated by purchase in dollar area. Such being the case, it is considered necessary to sound a word of caution against the purchase of more tractors at a cost of Rs.45/- lakhs in 1950-51, as proposed. Even in the name of Grow More Food, we cannot plan for machinery not required or for the use of which there is not a clear demand in our Province It would seem advisable to go slow with the purchase of machinery of this type which are unsuited generally to the conditions obtaining in our province. On the whole Finance consider that the purchase is best postponed and that if it is decided to purchase 50 tractors, it may be from the sterling areas.

5. The proposal is now placed before the Cabinet sub committee for orders;

(1) Whether the proposal of the Joint Director of Agriculture to initiate action for the purchase of 50 caterpillar tractors during 1950-51 from the dollar area will be agreed to and if so, whether the Government of India may be addressed for the grant of an import licence in favour of M/s Larsen and Toubro Ltd., for the import of these tractors from the dollar area, as a preliminary measure.

or

(2)Whether the whole proposal will be deferred for the present, as advised by the finance department; of

(3) If neither of these proposals is accepted whether it will be decided to purchase equivalent tractors from the sterling area and if so whether the Joint Director of Agriculture may be asked to submit revised proposals accordingly.

/true copy/

Compared R.Rohatgi 10/6

N. Raghavan.

FOOD AND AGRICULTURE.

[redacted].

AGRICULTURAL DEPARTMENT.

[redacted]:

From

Sri B.M. Lakshmipathy, B.E.M.E.,
M.R.A.S.E.,

Joint Director of Agriculture,

Rathkrum, 8, Club House Road,

Mount Road, M a d r a s.

To

The Secretary to Government,

Food and Agriculture Department,

Fort. St. George, Madras.

T. 1.1518/49 dated 4--11--1949.

Sir,

Sub: AGRICULTURE - Grow More Food -
Intensive Cultivation Scheme No.4
of the 2 year Plan - Purchases
of 50 Tractors during 1950-51.

Ref: Food and Agriculture Department
Telephonic message of 27th October 1949.

The proforma in respect of the 50 caterpillar tractors with bull dozers is herein enclosed.

sd. B.M. Lakshmipathy,

Joint Director of Agriculture.

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APPENDIX .

Application form (PRO FORMA) FOR THE PURCHASE OF AGRICULTURAL MACHINERY AND OTHER EQUIPMENTS.

1. (a) Full description of machinery (With or without accessories)	(Vide sheet attached.)
2. Name of maker.	do
3. Names of local representatives of maker.	do
4. whether machinery is already in use in this country and what is its performance.	do
2. Horse power.	do
3. Dimensions and weight.	do
4. Fuel used.	Diesal oil.
5. Details of additional equipments offered.	vide sheet attached.
6. Price.	vide sheet attached.
7. Delivery (time and place)	vide sheet attached.
8. Name and addresses of the supplier.	vide sheet attached.
9. Whether quotations or tenders have been obtained from other firms and if so , what these firms are.	In regard to tractors and equipments M/s Larsen and Tourbro Ltd., are the sole representatives in India. For Jacks, quotattions from firms other than M/s Heatly & Greshma Ltd will also be invited before effecting the purchase.
10. what are the quotations of other firms.	vide item No. 9 overleaf.

11. Reasons for proposal to buy from No. 8 and whether that quotation is lowest.	vide item No. 9 over leaf
12. Whether any commission or discount is allowed to government.	No.
13. Number proposed to be purchased.	vide sheet attached.
14. Total net cost.	Rs.43,20,000
15. Whether any previous sanction of government for purchase exist (if so, quote numbers and date)	Nil. This is proposed to be discussed at the cabinet sub committee meeting to be held on 5--11--1949.
16. Whether funds are available to meet the expenditure in the current year's budget.	This is a new service and a of the 2 year plan of intensive Cultivation.
17. Head of account to which the the expenditure is debitable.	40.Agriculutre - Agricultural Engineering 4. contingencies tractors.
18. For what purpose the machinery is proposed to be purchased.	The purchase of these tractor and equipments is included in the 2 year plan intensive cultivation scheme in order t tackle an additional acreage o 80,000 acres under Cleaning a levelling before ploughing an sowing for which there is dem from all over the province.
19. Remarks.	Government of India may kind be approached for a special permit and dollar sanction as there are no other suitable equivalent machinery either i the sterling areas or in non-dollar zones.

for Joint director of Agriculture.

/Ttrue copy//

J.

Raghavan

ANNEXURE.

S.No.	Full description of machinery with or without accessories	Name of maker.	Name of local representative of maker.	Whether machinery is already in use in this country & what is its performance.	H.
1	2	3	4	5	
1.(a)	Caterpillar Diesel D.6 tractor 65 Draw bar sH.P.60" gauge with 16" grouses trackshoes equipped with standard transmission .	M/s CATTERPILLAR TRACTOR & CO. PEORIA ILLINOIS.	Larsen & Toubro limited, Madras.	Yes. satisfactory.	65
	Hydraulic Implements control for John deere Agricultural implements complete (pump, tank, Hydraulic cylinder, and two hoes.)	do	do	do	
	Lighting system, electric with 130 watt. generator and fever lights.	do	do	do	
	Street plates (half set) for installation on alternate shoes (to be used when the tractor runs on roads)	do	do	do	
(b)	Caterpillar bull dozer cable operated mould 6 A angling blade type for use with No.24 front angle drum cable control.	do	do	do	
	Caterpillar cable control No.24 spare blades both central & end.	do do	do do	do do	
(c)	John Deere Truss Frame Tractor mould board plough Model 66 A furrow reduciblete 4 furrow 70" cut NGP 314 bottoms.	Messrs. Deere & CO., U.S.A.	do	do	
(d)	John Deere Heavy duty disc ploughs mould 605.5 furrow reduci ble to 4 furrow with 28" disks and wheel weights.	do	do	do	
2.	Vel. Compressors complete with hose part.	Caterpillar Tractor U.S.A	do	do	
3.	Service man tool kits.	do	do	do	
4.	Service tools like vice grips, ratchet spanners etc.	local purchase.		local purchase.	
5.	Jacks varying from 5 to 10 tons.	M/s Sigurd Stenehoj Denmark .		M/s. Larsen & Toubro Ltd.	

cost of spare parts.

Add due to devaluation abo

v.n.m.9/6/

Compared R. Rohtagi
N. Raghavan.

Dimensions & weight.	APPROXIMATE PRICE. Rate.	Total cost.	Delivery time & place.	No. of peroed to be purchased
7	8	9	10	11
L12'-5" H. 6' 3¼" t. 16725 lbs.	30,720/-	9,52,320	6 Nos. in each of the months of Jan, March, May 50 Thereafter 6 nos. per month from July	31
--	1,809	56,079	do	31
--	761	23,591	do	31
	225	6,975	do	31
Total.	33,515	10,36,965		
	8,016	2,46,496	as per item 1 (a)	31
	3,166	98,208	do	31
	2,000	62,000	do	31
TOTAL.	13,184	4,08,704		
	2,865	88,815	do	31
	4,038	1,25,178	do	31
	320	9,920	on forwar delivery.	31
	1,500	46,500	do	31
	200 sets	6,200	local purchase	31
	700	10,500	onforwar delivery.	15
		1,50,218		
		16, 85,000		
		8,25, 000		
Grand Total.	Rs.	27,10,000		

FOOD AND AGRICULTURE.

Memorandum No. 44984 M/49-6 Dated 16--11--1949.

Sub: AGRICULTURE - Grow More Food - Intensive Cultivation Scheme - Scheme No. 4 of the Two Year Plan - Purchase of tractors during 1950-51 - Preliminary action - Regarding.

Ref: Correspondence ending with the Joint Director of Agriculture Letter No. T.1.1518/49 dated 4--11-1949.
Proceedings of the meeting of the Cabinet committee for Food Production held at 3 p.m. on 5--11--1949.

The Joint Director of Agriculture is informed that the Cabinet Committee for Food Production at its meeting held on 5--11-1949, have decided to restrict the number of tractors to be purchased during 1950-51 to the number that could be purchased within the amount already estimated in scheme No.4 of the Two Year Plan, i.e. Rs.27.10 lakhs and to address Government of India for the necessary dollar exchange and import licence in the matter. The Joint Director of Agriculture is therefore requested to submit urgently revised proposals limiting the expenditure to Rs.27.10 lakhs for preliminary action for the purchase of tractors, equipment and spare parts during 1950-51.

To
Joint Director of Agriculture,
R.D.

/true copy/

r.n.m.

Compared R. Rohiyamoorthy
N. Raghavan.

AGRICULTURAL DEPARTMENT.

From

Sri. B.M. Lakshmipathy, B.E.,
M.E. M.R.A.S.E.,

Joint Director of Agriculture,
Rushkyrum, No.3. Club House Road,
Madras 2.

To

The Secretary to Government,

Food and Agriculture Department,

Fort St. George, Madras.

T. 1.2268.49 d/36-12-1949.

Sir,

Sub: AGRICULTURE - Grow More Food - Intensive Cultivation schemes - Scheme No.4 of the Two Year Plan - Purchase of tractors during 1950-51 - Preliminary action - regarding of -

Ref: Food and agriculture Department Memo. 44924-M/49-6 dated 16--11-1949 and 13-12-49.

- - - - -

In their memorandum cited above, Government have directed me to submit revised proposals for the purchase of additional tractors with bull dozers under scheme No.4 of the Two year plan restricting the expenditure to Rs.27.10 lakhs during 1950-51. I submit herewith revised proposals for the purchase of tractors. equipments and spare parts during 1950-51. I request that the Government may be pleased to address the Government of India for the issue of necessary import licence and dollar sanction.

2. The proforma for the purchase of the same is enclosed herewith.

sd. B.M. Lakshmipathy,
JOINT DIRECTOR OF AGRICULTURE.

Compared N. Mohd Hamidullah 8/6.
N. Raghavan

APPENDIX.

APPLICATION FORM (Pro forma) FOR THE PURCHASE OF OF AGRICULUTAL MACHINERY AND OTHER EQUIPMENTS.

1. (a) Full description of machinery with or without accessories.)	VIDE SHEET ATTACHED.
(b) Name of maker.	VIDE SHEET ATTACHED.
(C) Names of local representatives of maker.	IDE SHEET ATTACHED.
(d) Whether machinery is already in use in this country and what is its performance.	VIDE SHEET ATTACHED.
2. Horse power.	vide sheet attached.
3. Dimensions and weight.	~~vide sheet attached.~~
4. Fuel used.	Disel oil.
5. Details of additional equipment soffered.	vide sheet attached.
6. Price.	vide sheet attached.
7. Delivery (time and place)	vide sheet attached.
8. Name and address of the supplier.	vide sheet attached.
9. Whether quetations or tenders have been obtained from other firms and if so what these firms are.	In regard to these tractors and equipments Messrs.Larsen and Toubro limited, are the sole representatives in India.
10. What are the quetations of other firms.	vide item No. 9 overleaf.
11. Reasons for proposal to buy from No. 8 and whether that quetations is lowest.	do
12. Whether any commission or discount is allowed to government.	no.

-p-t-p-

13. Number proposed to be purchased.	vide sheet attached.
14. Total net cost.	Rs.27,10,000/-
15. Whether any previous sanction of government for purchase exist (if so, quote numbers and date.)	Nil.
16. Whether funds are available to meet the expenditure in the current year's budget.	There is a new service and a part of the revised 5 Year plan of Intensive Cultivation.
17. Head of account to which the expenditure is debitable.	40 Agriculture - Agricultural Engineering - 4 contingencies tractors .
18. For what purpose the machinery is proposed to be purchased.	The prudhase of these tractor and equipments is included in the revised 5 year (plan) intensive cultivation scheme in order to tackol an additional acreage of 60,000 acres under clearing and levelling beefre ploughing an sowing for which there is a demand from all over the province.
19. Remarks.	[illegible] be approached for a special permit and dollar sanction as there are no other suitable equivalent machine either in the sterling areas or in other non dollar zones.

/ture copy/

v.n.m.

ANNEXURE.

S. Item No.	Full description of machinery with or without accessories.	Name of maker.	Name of local representatives of makers.	Whether machinery is already in use in this country and what is its performance.	H.P.	Dimensions and weight.	Price. Rate	Price. Total cost.	Delivery (time and place)	N prop to purcha
1	2	3	4		6	7		8	9	10
1 (a)	Caterpillar Diesel D.6 Tractor, 65 Draw-bar horse power, 60" guage with 16" grouser track shoes, equipped with standard transmission.	Caterillar Tractor Co., PEORIA? ILLINOIS.	M/s Larsen & Toubro Ltd.		65 H.P.	L.12'.5" H.6'.3½" Wt.16,725 lbs	30720	1536000.	6 Nos. in each of the months of Jan March, May 50 Thereafter 6 nos. per month from July (inclusiv Ex godown Bombay.	5
	Hydraulic Implement control for John Deere agricultural implements complete (Pump, tank hydraulic cylinder and two hoses.	..	..				1809	90450/-	do	5(
	Lighting system, electric with 130 watt. generator and four lights.	..	..				761	38050/-	do	5(
	Street plates (hhhf set) for installation on alternate shoes (to be used when the tractor runs on roads.)	..	..				225	11250/-	do	50
	Total.							35,515.16,75,750/-		
b)	"Caterpillar" Bulldozer-cable operated model 6.A. angling blade type for use with No.24. front single drum cable control.	..	..				8,016	4,00,800		50
c)	"Caterpillar"									

	Spare blades both central and end.	..	..				
		TOTAL.			15,184	6,59,200	50
(c)	"John Deere Truss Frame Tractor mould board Plow model 66A. 5 Furrowreducible to 4 furrow 70"cutNGP314 Bottoms.	Caterpillar Tractor &CO PEORIA, ILLINOIS.	..		2,000	1,00,000	50
(d)	"John Deere" Heavy duty disc plow model 605-5 furrow reduciable to 4 furrow with 28" disks and wheel weights.	..	..	lbs 2365	2,865	1,43,250	50
2.	Volume compressors complete, with hose.	..	..	lbs. 3705	4,038	2,01,900	do 50
3.	Servicemen tool kits.	..	..		250	12,500	
4.	Service tools like vice, grips, Ratchet spanners etc.	Local purchases	Local purchases.		1,100	55,000	dp 50
5.	Hydraulic Jacks varying from 5 to 10 tons.	M/s Heatley & Grashma Ltd.	M/s Hattly & Grasham Ltd.		200	10,000	Local purchases 50
		cost of spare parts.			700	17,500	Quotations will be invited. 25
		Add due to devaluation.				3,24,900	
						13,20,000	
						45,20,000	

SD. B.M. LAKSHMIPATHY.
JOINT DIRECTOR OF AGRICULTURE.

(TRUE COPY)

V.N.M.9/6/

Compared R Rohd Davidson 9/6.
N. Rajharan

FOOD AND AGRICULTURE.

***

LETTER NO. Ms. 161. d/85-1-50.

The Secretary to Government of India,

Ministry of Agriculture, New Delhi.
(with enclosures).

Sir,

Sub: AGRICULUTRE - Intensive Cultivation scheme No.4 of the Two year Plan - purchase of tractors and equipments during 1950-51 - Import licence and dollar exchange - Requested.

I am directed to invite a reference to scheme No.4 of the Two Year Plan approved in G.O.Ms.868 Food and Agriculture dated 2-9-49 which deals with the purchase of tractors and equipments for hiring out to ryots. This Government have decided to purchase 31 caterpillar tractors together with their equipments at an estimated cost of Rs. 87-10 lakhs as detailed in the annexure to this letter from U.S.A. Among the various types of machines in available in the market, the caterpillars are the best having an experience of over a century and a half and there are no suitable substitutes in the market. I am to request that the Government of India may kindly be moved to accord necessary sanction for the dollar exchange and to grant an import licence in favour of M/s. Larsen and Toubro Ltd., Madras for the purchase of the machinery referred to in the annexure.

I am to request the favour of a very early reply.

Joint
copy to the Director of Agriculture.
with reference to the correspondence
endingwith his letter T.1.2268/49
d/26--12--1949

/true copy/

d by N. Raghavan
for Rohwlan Dutt
7/6

v.n.m.

FOOD AND AGRICULTURE department

Sub: COMMITTEES - Cabinet Sub Committee for Food Production on 14-10-49 - Subjects for consideration.

Ref: From the Joint Director of Agriculture No. T.1516/49 dated 6--10--49.

- - - - - -

To A.S.

Please see the letter from the Joint Director of Agriculture in the ref.

2. The Joint Director of Agriculture has proposed the inclusion of the following subject as an item in the agenda for the proposed meeting of the Cabinet sub committee for Food Production on 14-10-49.

"Purchase of 50 numbers D.6 caterpillar tractors with bull dozing attachments for the reclamation and cultivation of virgin areas according to the Two Year Plan during 1950-51.

The Joint Director of Agriculture also reports that the proposal was approved by the Agricultural Machinery Advisory Committee which met on 13-9-49 and therefore requests the government to approach the Government of India for an import licence and dollar exchange for the 5 D.6 m tractors, as a preliminary measure.

3. Scheme No.4 of the Two Year Plan provides for the purchase of 100 tractors (50 with bulldozing equipment and 50 without bull dozers) during 1950-51 at a cost of Rs.88.62.000/- During the current year it is proposed to purchase 50 tractors together with necessary staff and fuel oils etc as provided for in scheme No. 4 of the Two Year plan. Proposals in this regard are separately under the consideration ofthe government. (the connected file has been sent to finance for remarks). The government of India have recently stated that it may not be possible to get all the machinery that is required by this government from the Dollar area and that this government should therefore take steps toacquire similar

types of machinery from the soft currency areas. It is therefore doubtful whether the Government of India will sanction dollar exchange at this time for the import of these 50 D.6 caterpillar tractors, if approached. However, the Joint Director of Agriculture's statement that this course of action is now considered extremely urgent as there are no other suitable equivalent machines either in the sterling areas or in other non-dollar areas may also be noted.

Secretary has noted in another connection that we should not go in for more tractors until we can prove unmistakably our capacity for managing tractor organisation and tractor cultivation and that we have miserably failed so far in this direction has proved beyond any manner of doubt. He has also noted that all further applications for the purchase of more tractors should be considered on these points.

In view of the foregoing, it is for orders whether the Joint Director of Agriculture's present proposal to address the government of India for an import licence and dollar exchange for 1950-51 will be deferred til 1-2-50 and if so, and the Joint Director of Agriculture may be informed accordingly. As the Two Year plan was approved by the cabinet sub committe at its meeting held on 15--8-49 this subject need not be included in the agenda for the meeting of the cabinet sub committee for Food production to be held on 14-10-49 as prespesed by the Joint Director of Agriculture.

For orders:

The first point to be considered is whether the matter need be placed before the cabinet committee. The cabinet committee has powers now to sanction to

Grow More Food schemes eligible for Government of India grant only. As the tractor hiring scheme is not eligible theschems should be placed before the S.F.C. and the cabinet but we have asked the cabinet to delegate powers to the Cabinet committee to sanction all Grow More Food schemes. The matter ~~kkxwill~~ be decided at the Cabinet meeting on 11--10-49. As it is, the cabinet committee has no jurisdiction to dispose of this matter. We may await the cabinet's decision.

2. As regards the merits of the proposition of the Joint Director of Agriculture, it is no doubt true that he must plan in advance for 1950-51 but the present moment appears to be inopportune to apply to the Government of India, for dollar exchange and import licence when the Government of India is very rigorous about dollar exchange. We must await for a month or ~~kxxx~~ two till the present apprehensionsabout devaluation have subsided. But what strikes one is, of caterpillar tractors with bull dozing attachments are the best, why the Joint Director of ~~xx~~ Agriculture did not go in for them for the batch of 50 tractors for 1949-50, which is under separate consideration. (They are mostly John Deere tractors).

Yes
Betterto
wait till
11/10/1949.

3. On the whole I think the matter should lie over till the cabinet decision is known before we consider bringing up this matter before the cabinet committee.

S

ORDERS AT 'A' IN THE MARGIN. The case may is resubmitted for orders. The cabinet is meeting only today and its decision may be awaited till 13-10-49 vide M on page 3 above .

Public (Special) may be requested to put up a copy of the cabinet decision to day on the note at J in advance of the return of the main file, for reference after this file.

F.A. U.O. No. 4492 d/11-10-49.

Pub (Spl)

For orders as to whether an advance copy may be given to Food and Agriculture Department.

The decision may be sent after it is approved by Honourable Premier.

Submitted. The communication of the cabinet decision may be awaited till 13-10-49.

This has been ~~recommended~~ received to day.

To A.S.

A copy of the cabinet decision since received is put up at H The cabinet has permitted the cabinet sub committee to sanctionall Grow More Food Schemes irrespectiv of the fact whether they are eligible for a grant from the Government of India or not reserved. The case is now submitted for orders.

the matter may be placed before the next cabinet committee meeting (several members of the Provincial Advisory council today suggested that there is demand for more tractors in various parts of the Province). If approved a draft note will be prepared. The file may be first sent to Finance for remarks although no financial commitments are involved at this stage.

Yes.

O. Note
4924 M/49-2

1/15-10-49

Finance (Pwr)

Scheme No.4 included in the Twe Year Plan approved in G.O. No. 868, Food ~~xxx~~ dated 29-9--49 provides for the purchase of 100 tractors during 1950-51. The Joint Director of Agriculture considers that arrangements may be made even now to obtain import license and dollar sanction from the government of India with a ~~xxx~~ view to obtaining from dollar areas 50 numbers of D.6 caterpillar tractors with bull dozing attachments for the reclamation of virgin areas during 1950-51. Attention isinvited to para 2 of Food A.S.'s note on p-3 above. As purchase of tractors from dollar areas will be much costlier than from sterling area and as the additional tractors to be purchased in 1949-50 are mostly from the sterling areas, Finance may perhaps suggest that the Director of Agriculture may be asked to ~~xxxx~~ make arrangements for purchasing the 50 tractors for 1950-51 also from the sterling area. Food may be requested to embody the above view of this department in the draft note for the cabinet sub committee.

The case may be sent again to this deptt. with full details before 31-10-49

2. It is presumed that Food will bring forward the proposal for the purchase of tractors during 1950-5 as a part II scheme for the next year and

and send the case to this department again with information regarding cost etc., in due course - vide para 5 of Finance memo No.57293-A/PWR -3 D/18-10-49.

3. With the above remakrs the case may be returned to Food.

Fin.U.O.68409 PWR/49 17-10-49.

Food and Agriculture Dett.

TO A.S.

Finance Departments notes from the bottom of p. 5 above may be perused. Before submitting a note for the Cabinetsub committee, the Joint Director may be asked to submit detailed proposals for the purchase of 60 numbers of caterpillar tractors with bull dozers during 1950-51 indicating the financial implications, involved on account of staff fuel oils spares, etc. Finance suggestion 'A' on p.6 above may also be put to the Joint Director of Agriculture. Subject to orders, a draft memorandum is submitted for approval.

Issue

With reference to Finance notes in para 2 on p.6. above, it is submitted that the government have since delegated powers to the cabinet sub-committee to sanction all grow more food schemes irrespective of the fact whetherthey are eligible for a grant from the Government of India or not. As such, there appears to be no need to treat the present proposal of the Joint Director of Agriculture as Part II scheme for 1950-51.

Before another confussion develops we must make it clear to Finance that ~~Extra~~ Intensive cultivation schemes need not be treated as Part II schemes as a separate procedure is laid down for such schemes. It need hardly be pointed out that work is multiplied on account of varying and overlapping procedures and

and there is delay and confussion. If all the Intensive Cultivation schemes for 1950-51 are to be put found as part II schemes, it would be impossible to do so before 31--10--49. And it is quite unnecessary to do so.

Issued as memo. No.44934 M/49 -3 dated 19-10-49
From the Joint Director of Agriculture Letter No.T.1 1518/49 dated 23--10-1949.

A.S.

Please see the memorandum to the Joint Director of Agriculture at p. 5. c.f. and his reply at p.7.c.f.

2. Under scheme No.4 of the Two Year Plan of Intensive Cultivation schemes relating to the Agricultural Department, provision has been made for the purchase of 10 tractors during 1950-51. (50 with bull dozers and 50 without bull dozers) together with equipment and spare parts at a cost of Rs.46,96,000/- and also for a recurring expenditure of Rs.11,60.000 towards fuels oils, transport charges, staff, etc.

3. The Joint Director Agriculture has in his letter dated 6--10--1949, proposed (1) that 50 nos. of D.6 caterpillar tractor machines may be purchased with reference to the provision of 100 tractors made for the year 1950-51, in the Two Year Plan; [illegible] and (2) that the government of India may be addressed immediately for the grant of necessary import licence and dollar sanction for the purchase of these 50 D.6 machines as a preliminary measure. He has reported that this course of action is now considered extremelyurgent so that the acquisition of 50 caterpillar tractors with bull dozers may be proceeded with expeditiously at least during 1950-51.

3. It has been pointed out to the Joint Director of Agriculture that it is rather inopportune at present to apply to the Government of India for dollar exchange and import licence for the purchase of the 50 caterpillar tractors during 1950-51 when the Government of India are very rigerous about dollar exchange. He has therefore been asked to consider the question of purchasing other equivalent makes from the Sterling areas, and to submit detailed proposals for the purchase of 50 caterpillar tractors or their equivalents during 1950-51 together with equipments and necessary staff. The Joint Director of Agriculture has now furnished the detailed proposals and they will be found at pp.7-12 c.f. The Joint Director of Agriculture has estimated a receipt of Rs.10,00,000 by way of hire charges from the50 tractors proposed to be purchased. The Joint Director of Agriculture's proposals are briefly as follows:

	Non.recurring.	Recurring.
I Cost of 50 tractors with equipments and spare parts.	Rupees. 4 3,20,000	Rupees.
II Cost of fuel oils, lubricants, Transport charges etc.		4,10,500
IIICost of staff.		1,85,000
Total Rs.	43,20, 000	6,05,500

4. I PURCHASE OF 50D.6CATERPILLAR TRACTORS WITH NECESSARY EQUIPMENTS. AND SPARE PARTS:

The Joint Director of Agriculture has proposed the purchase of 50 caterpillar Tractors (D6) togetherwith equiment and spare parts at a cost of

There is no question of purchase yet fromfor hiring. Issued.

Rs.45,20,000/- It is reported that the Agricultural Machinery Advisory Committee at its meeting held in the Joint Director of Agriculture's office on 13-9-49 agreed to the purchase of 50 D6 caterpillar tractors as there are no other suitable equivalents either in the Sterling areas or in other non-dollar zones. (The Joint of- Directorof Agriculture) has not submitted the proforma for the purchase of the machinery and he may be asked to submit the same. A draft telephone message is submitted It is seen that the tractors are proposed to be purchased through Messrs. Larsen and Toubro Ltd., Madras. Under scheme No.4 of the Two Year Plan, provision has been made forthe purchase of 100 tractors (50 with bull dozers and 50 without bull dozers) with necessary equipments and spare x parts at a cost of Rs.46,95,000/-. The proposal of the Joint Director of Agriculture for the purchase of 50 tractors with equipmentand spare parts is only Rs.3,75,000/- less then the provision made in the Two Year Plan for the purchase of 100 tractors with equipment and spare parts. It is reported that among the various types of machines in the market, the caterpillar tractors are the best having an experience of over a century and a f half in field and there are no r eady stocks of these machines available in India. The Joint Directorof Agriculture therefore considers that it is necessary even now to plan in advance for the purchase of the machinery in 1950-51. At the Provincial Food Advisory C ouncil meeting held on 15--10--1949, several members suggested that there was a great demand for tractors in various parts of the Province. It may be noted that on an enquiry from India about this Province's requirements of machines in connection with the Grow More Food campaign and the assistance required from them it is proposed to inform them about the machinery required

from the dollar area during 1949-50, 1950-51 & 1951-52, and to request them for assistance in regard to import licence and necessary dollar sanction. In view of the foregoing and in the interest of the Intensive Cultivation schemes to attain self-sufficiency in food by 1950-51, the proposal of the Joint Director of Agriculture for the purchase of 50 caterpillar tractors with equipments and spare parts may be supported in this department. For orders. If so, the government of India may also be approached for necessary import licence in favour of Messrs. Larsen & Toubro Ltd., Madras.

II FUEL-OILS, TRANSPORT CHARGES, RENTS, ETC:-

The Joint Director of Agriculture has proposed a sanction of an expenditure of Rs.4,18,500/- towards fuel oils, godown rent and transport charges for the 50 tractors as detailed at 'X' on p2.c.f. In the Two Year Plan for the purchase of 100 tractors during 1950-51, there is a provision of Rs.8,60,000/- towards fuel oils, transport charges, etc. The Joint Director of Agriculture has now proposed an expenditure of Rs. 4,18,500/-. which is about half of the provision made for 100 tractors It may be noted that while sanctioning the proposals of the Joint Director of Agriculture for the purchase of 50 tractors during 1949-50, the Government restricted the working expense to Rs.2,50,000/- recurring per annum and the Joint Director of Agriculture was asked to come up to government for additional expenditure, if necessary, in due course. On the same analogy, the expenditure on fuel oils, transport charges etc., may be restricted to Rs.2,50,000/- recurring per annum in the present case also and he may be asked to come up to government separately, if necessary. For orders.

III STAFF:

The Joint Director of Agriculture has

proposed the employment of the following staff for the 50 tractors for a period of one year from the date of appointment:-

50 Senior drivers on Rs.50/- p.m. with D.A.
40 Junior drivers on Rs.40/- p.m. with D.A.
50 Cleaners on Rs.20/. p.m. with D.A.
12 Senior Mechanics on Rs.70/- p.m. with D.A.

The total expenditure involved on account of the above staff k works out to Rs. 1,65,000/- recurring, as detailed at 'J' on pp-9-10 c.f. The amount provided for in the Two Year Plan for staff works out to Rs.1,50,000/- An expenditure of Rs 1,85,000 has been sanctioned for the appointment of staff in connection with the 50 tractors to be purchased furing 1949-50. For orders whether, on the same analogy, an expenditure of Rs.1,65,000/- may be sanctioned towards staff as proposed by the Joint Director of Agriculture and the staff may be sanctioned during 1950-51 for a period of one year from the date of appointment.

5. Grant from the Government of India:- The scheme is not eligible for any subsidy from the Government of India under the revised rules communicated by them recently. To make the scheme self supporting it has been suggested by Finance Department in another file that full economic rates of hire may be charged so as not to involve government in net cost in working the tractors. The matter is separately being taken up with the Joint Director of Agriculture.

6. Financial Precedents:- The Government have since authorised the cabinet sub-committee for food production to sanction all G. M.F. schemes irrespective of the fact whether the schemes are eligible for a grant from India or not. In view of this, a note for the cabinet

sub committee wil be put up, after obtaining the remarks of Finance on the proposals in para 3 above. It is proposed to include this scheme in the agenda of the cabinet meeting to be held on 6--11--1949.

7. The case may be sent to Finance for remarks

The proposal to initate action to purchase 50 caterpillar tractors with bull dozers in 1950-51 may be placed before the next meeting of the cabinet committee on 5--11-1949 and it may be made clear to the committee that expenditure is not likely to be incurred in 1949-50 except in the very unlikely event of some shipments coming through before end of March 1950. The first hurdle, if the cabinet agrees to the proposal, is to get sanction for dollars and to get import licen-- This will necessarily take time and that is the justification for taking action even now.

2. As regards the suggestion of Finance on p.6. ante that the proposal should be treated as a Part II scheme for 1950-51, orders are solicited on pp-6.7 ante There is no need for the schemes in the Two Year Plan to be treated as Part II schemes for next year. They are not new schemes. Funds can be provided in the Budget estimates for 1950-51 and administrative sanction can be duly obtained for the schemes, in due course. Otherwise there will be terrible multiplication of work.

I agree.

27

F.A. 44924 m/49
27-10-49.

Compared R Rohatgi 8/6.
N. Raghavan.

Finance (P.W.R.)

Please see the previous finance note on pp-5-6- above and the notes of Food and Agriculture on pages 8-12 above.

The subject of this file which is to be placed before the cabinet committee for consideration at its meeting to be held on 5--11-1949 is "Preliminary action for the purchase of 50 numbers of D.6 Caterpillar tractors with bull dozing attachments for 1950-51 under the Two Year Plan' The preliminary action contemplated is to apply to the Government of India for an import licence to permit the purchase of the machinery from the dollar area. As the tractors in the dollar area will be much costlier than in sterling areas and as the tractors ordered for purchase during 1949-50 would seem to have been obtained from the sterling areas, this department suggested that 50 out of the 100 tractors scheduled for purchase during 1950-51 might also be purchased from sterling areas. But the Joint Director of Agriculture insists on the 50 tractors being obtained from the dollararea for the reasons stated in his letter on page 7 c/f. and Food propose to take orders of the Cabinet committee on the point. In preparing the note forthe cabinet sub-committee Food will no doubt embody therein the view of this department as at 'A'on page 6 above.

2. As regards the question of treating the proposal as a part II for 1950-51, please see the Food department's remakrs at 'E' on p.7 above and B on p.13. above. The Food department consider that the schemes included in the Two Year Plan of Intensive Cultivation which are to be given effect to in 1950-51 are not new schemes and that they need not be treated as Part II Schemes, i.e.. provision for the scheme should be included in Part I of the Budget. Submitted that provision is made in Part I of the Estimates for sanctioned schemes only.

The government have accorded only a general approval to the Two Year Plan of Intensive Cultivation scheme. Each scheme will have to be sanctioned by the cabinet committee constituted for the purpose. If the cabinet committee sanctions the purchase of 50 tractors for 1950-51, necessary provision can be made in Part I of the Budget. In respect of other schemes sanctioned by the Committee till 20th December 1949 also, provision can be made in Part I of the Budget, if necessary alterations to the estimates are sent to this Department on or before 20-12-1949.

3. As regards chemes which are not sanctioned by the Cabinet sub committee before 20-12-1949 for execution in 1950-51 provision may be made by adopting one of the following two courses:-

1. By obtaining supplementary estimates in respect of sanctioned schemes in 1950-51 or;

2. by including a lump sum provision in the Budget for 1950-51 for all the schemes to be introduced in that year as is done in the case of G.M.F. Irrigation schemes.

If alternative (2) above is to be adopted, the Food department may send a Part II scheme proposal suggesting the amount to be included or as a lump sum, each scheme will of course) be sanctioned only after following the appropriate procedure prescribed for Intensive cultivation schemes.

4. It may be mentioned in this connection that in respect of water supply and Drainage schemes included in the First five Year Plan, it has been ordered that the schemes included in the Plan may be sanctioned by following the special procedure authorised in the case of extreme urgency and that they need not be treated as part II schemes. Such an order has not been issued so far in respect of Intensive cultivation schemes. Attention is also in this connection invited to para 5 of Finance memo No.57895-A/EWR-5 dated 13--10--1949 in which it has been laid down that Part II schemes for next year should be confined as far as possible only to G.M.F. schemes. i.e. Intensive cultivation schemes incorporated in the

Two Year Plan. If it is difficult to bring forward such scheme as a part II scheme, a lump sum provision may be suggested as indicated above.

Thro B.G.

The Two Year Plan no doubt provides for the purchase of 100 tractors in 1950-51. It has also been approved by the Government. It cannot on that score be said that arrangements for the purchase of 100 tractors in 1950-51 should automatically be made, without regard to other considerations or circumstances. The prices have gone up very much since then and 50 tractors with equipment and spare parts which were expected to cost only 27-10 lakhs will now cost about 43-20 lakh or an increase of nearly 60% The government of India have declined to give any subsidy for this scheme. The effect of this will be a loss of about 3 lakhs recurring on the basis of the figures given in the pamphlet at N. Further 50 tractors are to be purchased in the current year and there are also about 185 tractors in the department. It is yet to be seen as to what demand there will be for the hiring of these tractors in this Province particularly when the rate of hire is going to be as high as Rs.100 a day. It is unlikely that many in our province will be able or afford to hire these tractors at such a costly x rate and to put them to use in their fields. Such being the case, Finance cannot help sounding a word of caution against the purchase of more tractors at a cost of 43 lakhs in 1950-51 as proposed.

Even in the name of Grow more food we cannot x plan for machinery not required or for the use of which there is not a clear demand in o r province. It would seem advisable to go slow with the purchase of machinery of this type which are unsuited generally to the conditions obtaining in our province.

In the above circumstances this department may advise that the proposal to purchase or to make

arrangements to purchase 50 more tractors at a cost of about 45 lakhs in 1950-51 may be deferred for the present.

The above also may be mentioned as Finance view in the note for the cabinet committees.

As regards the remarks of Assistant Secretary, Food on p.7.c.f. I would say that our re-awakening need not synchronise with just the time when prices of dollar goods have gone up by nearly 50% This is however a side issue.

The views of this department as on the previous page may be embodied in the note for the cabinet committee and it may be stated that the purchase may best be postponed and if some purchase must be made, it may be from sterling area.

Fin.U.O. 71255 PWR./49- 20-10-49.

Food and Agriculture.

Finance department notes from page 13 above may be perused. In the circumstances explained in para 1 on p.15. ante, that department have stated that the purchase of the 50 caterpillar tractors may best be postponed and if some purchase has to be made, it may be from the sterling areas. A draft note for the cabinet sub-committee is submitted for consideration. It may be circulated to H.M. Agriculture for approval.

There is no question of purchase yet. It is only preliminary action.

1. The subject may be included in the agenda for the cabinet committee meeting for 5--11-49. It involves a question of policy and it is best that the cabinet committe decides for the guidance of all concerned.

Yes.

2. Action with reference to M on p.14 ante may be taken up seperately after taking extracts of

Yes. relevant notes.

3. The draft note with reference to para 1 above, is for approval. It may be circulated to H.M. Agri. for approval before issue.

S.

H.M. Agir
1/11/

Note issued

To A.S.

Please see the letter and the proforma for the purchase of 50 tractors during 1950-51 since received from the Joint Director of Agriculture at pp.35.39 c.f.

8. The proceedings of the cabinet sub-committee meeting held on 5-11-49 may be awaited till 9--11-49.

(Action is being taken separately on 'Y'en p.17 ant...

The proceedings have been circulated to J.Pr. for approval and will be communicated to all concerned after approval.

To A.S.

Please see the proceedings of the meeting of the of the cabinet committee for Food production held on 5-1-49 at A on p.43 N.f.

8. The cabinet committee have decided to restrict th number of tractors to be purchased during 1950-51 to the number that could be purchased within the amount already estimated viz., 87-10 lakhs and to approach government of India for dollar exchange and import licence for the purchase of caterpillar tractors.

The decision of the cabinet committee has already been communicated to the Joint Director of Agriculture. His attention may be drawn to this decision and he may be asked to submit revised proposals for addressing Government of India for dollar exchange and import licence

The question of sanctioning the expenditure may perhaps be taken up after the necessary dollar exchange and import license are obtained.

Subject to orders a draft O.M. is submitted for approval. Finance may see before issue.

Food & Agri.U.O.
44924 M/49-6
16--11-49.

Finance (F.W.R.)

(Previous finance note on pp-15.16 above.

Further notes from middle of p.18 above and the draft memo may be perused and the xx case returned to food.

Issue.

Issued as memo. No.44924 M/49-6 dated 16--11-49.

From the Joint Director of Agriculture T.1.2268, d/26-10-49.

To A.S.

SUMMARY.

The case relates to the proposals of the Joint Director of Agriculture for the purchase of tractor and equipments from dollar area during 1950.51. In october last, the Joint Director of Agriculture propos that preliminary action might be taken for addressing the Government of India for import license and dollar sanction for the purchase during 1950-51 of fifty tractors and their equipments from U.S.A. The proposal was considered by the cabinet sub committee for Food production at its meeting held on 3-11-49, the proceed of the meeting at 'A' on p.43 o.f. may be perused. The committee has decided to restrict the number of tractors to be purchased during 1950-51 to the number that could be purchased within the amount already estimated, viz., Rs.27-10 lakh, and to approach Governmentof India for dollar exchange and import licence for the purchase of caterpillar tractors. The Joint Director of Agriculture

was asked to submit revised proposals for the purchase of tractors within this amount and the Joint Director of Agriculture's letter with reference to this is submitted at p.49 c.f. for perusal. It is estimated to purchase 31 Tractors and their equipments within this amount. The estimate submitted by the Joint Director of Agriculture at pp.53-54 calls for no remarks. As the cabinet sub committee has already approved this proposal at its meeting held on 5-11-49 it is for orders whether the Governme of India will be addressed for an import licence and dollar exchange. Subject to orders a draft letter is submitted for approval. Finance may see.

F &A U.O. 44
294 M/49.8
5-1-50.

Finance P.W.R.

(Finance last saw on p.19 above.)

Further notes from p.19 above and the draft letter to the Government of India may be perused and the case returned to F. & A.

(notes from C on p 19 above.) F. & A. Deptt.

To A.F. Please see the Finance notes above.

The draft letter to the Government of India may now issue.

H.M. Asir.

Issued as letter Ms.161 F. & A. d/25-1-50

GOVERNMENT OF MADRAS.

Meeting of the Council of Ministers held at Fort St. George on Tuesday the 11th October 1949, at 11 a.m.

The Honourable the Premier presided.

Present:

The Honourable Dr. T.S.S. Rajan,

Sri M. Bhaktavatsalam.

Sri B. Gopala reddi,

The Honourable Sri H. Sitharama Reddi,

A.B. Shetty,

K. Chandramouli,

B. Parameswaran,

N. Sanjeevareddi,

C. Perumalswamy Reddi,

Sri J.P.L. Roche Victoria.

Agenda:

6. AGRICULTURE - Grow More Food provision of funds in the R.E. 1949-50 under the Head "40 Agriculture F. Agricultural Engineering 4 other charges tractors.

ORDER:

The proposal of the Joint Director of Agriculture to provide a sum of Rs.20.81 lakhs in the current year towards purchase of tractors and their equipment was approved. The Joint Director of Agriculture will be authorised to incur the expenditure at pre devaluation prices in anticipation of allotments of funds. The amount of Rs.20-81 lakhs provided will not be increased and no question of providing further sums by a supplementary grant will be considered. The cabinet sub committee will be permitted to sanction all G.M.F. schemes irrespective of the fact whether they are eligible for a grant from the government of India or not.

sd. P.S. Kumaraswamy Raja.

Premier.

K.R.M.
16-10-49

(TRUE COPY)

Compared
N. Mohiddin 19/6
N. Raghavan.

Food and Agriculture.

EXTRACTS FROM FILE BEARING C. No.27978(A)M/49

SUB: Agriculture - Grow More Food - Machinery - Tractors - Expenditure - Regarding.

This is indeed a ridiculously poor show. The monthly acreage per tractor ranging from 45 to 61 acres are must be unheard of in countries, where tractors being used. At this rate it seems far better to wind up the whole show instead of continuing this costly farce. At any rate my mind is made up that we should go in for no more tractors until we can prove unmsitakably our capacity for managing efficiently tractor organisation tractor cultivation. That we have miserably failed so far in this direction has been proved beyond any manner of doubt. All further applications for tractors to be noted on these lines and the files lodged after circulation. Please let me k known menanwhile how our achievement compares with out estimates under the Two Year plan. What I wish to know is, what is the area of reclamation per tractor per month we have budgeted for and how does it compare with the past record. I would also like to compare the cost of reclamation per acre as estimated under the Two year Plan and how does it compare with the results obtained so far.

M.A.A.

29.9.49.

(TRUE EXTRACT).

Compared N. Mohammad 3/6
N. Raghavan.

FOOD AND AGRICULTURE Deptt.

NOTE FOR THE CABINET.

Subject: AGRICULTURE - Grow More Food - Provision of funds in the Revised estimate, 1949-50 under the head "40 Agriculture - FAricultural Engineering - 4 otherx charges - Tractors'.

In connection with the Budget for 1949-50, the Director of Agriculture proposed, among others, a provision of Rs.46,65,000 for the purchase of tractors. This provision was specifically cut out by the cabinet mainly with a view to reduce the antipipated deficit in the budget for 1949-50. The revenue position of the government it is reported, has not improved since - particularly as there is a possibility of the Government of India reducing their block grant for grow more food and Post War Reconstruction schemes. In May 1949, however, the Joint Director of Agriculture asked for a provision of Rs.18.71 lakhs for the purchase of tractors, tractor equipment and implements whose purchase was already sanctioned by the Government. This Department supported this proposal. The finance department considered that the proposal to purchase tractors etc., at a cost of Rs.18.71 lakhs, should be regarded as a 'New scheme'. They, therefore, suggested that if the purchase was to be made, orders of the Cabinet would have to be taken in view of the fact that the original provision made by the Director of Agriculture in 1949-50 for tractors was specifically cut out by the cabinet.

2. At the instance of the Finance Department, the Joint Director of Agriculture was xk asked to furnish full information of all the cases in which the government sanctioned the purchase of tractors

was
[illegible]
and equipment and for which firm orders had already been placed and the purchase of which had, of necessity, to be made in 1949-50 and to defer placing firm orders in cases where firm orders had not yet been placed. The joint Director of agriculture has now asked for the provision of funds to the extent of Rs.20,80,750/- as d detailed below, to be made in the revised estimate for 1949-50 and to authorise him to incur the expenditure in anticipation of allotment of funds:-

(i)	cost of tractors and equipment for which sanction was already accorded and supply awaited.	17,81,576
(ii)	Cost of tractor equipment for which sanction was accorded and for which firm order have not yet been placed.	1,79,175
(iii)	Cost of tractor equipment for which sanction has not yet been obtained but whose purchase is necessary during 1949-50	1,20,000
		20,80,[illegible]
	or	20,80,750 roundly.

3. In the meantime, the cabinet recommended their previous decision that no new tractors need be purchased during 1949-50. In view of this decision, this department supported the proposal of the Joint Director of Agriculture to include provision for Rs.20,80,750 in the revised estimate for 1949-50. The present position is that with reference to already existing sanctions, additional provision is required to be made in this year to an extent of over Rs.20 lakhs and the cost of the additional

50 tractors decided to be purchased newly will increase the additional provision required to about Rs.35 lakhs. This has been accepted by Finance Department also subject to the following remarks:

(i) that the funds will actually have to be provided for either by the reappropriation or by obtaining a supplemntary grant;

(ii) that the proposal will have to be placed before the cabinet as it was on its orders that the original provision of Rs.36,65,000/- in the Budget ~~xxxxxxx~~ for 1949-50 was cut out;

(iii) that orders of the cabinet may be specifically obtained whether in view of the need for an additional provision of Rs.20.61 lakhs, any cut will be made in the number of new tractors proposed to be purchased;

(iv) that thenote on supplementary grant which this department may prepare in respect of the new 50 tractrs should cover the expenditure referred to in this proposal also; and

(v) that the cabinet may be appraised of the fact that the government of India will have to be approached for sanction of foreign exchange whenever necessary before hand.

4. This department consider that as a decision has been already taken by the cabinet sub-committee on the purchase of tractors in connection with the Two Year Pla for food Production at its meeting held on 16-6-49, it does not seem necessary to circulate this case to the cabinet. But the Finance department have, onthe other hand, suggested that this scheme may be placed before th e cabinet, as the following decision of the cabinet sub committee arrived at on 16-6-49 will not apply to th scheme, which is not eligible for a grant from the government of India.

'In regard to the procedure for dealing with the schemes under the Grow More Food campaign it was decided that in respect of nay scheme that may be eligible for a grant from the Government of India under the Grow More Food, the sanction of the scheme by the sub committee of the cabinet would be adequate and that a note relating to it should, however, be placed before the cabinet for its information."

This department therefore propose that the cabinet sub-committee may approve all the Grow More Food schemes irrespective of the fact whether a particular scheme is eligible for a government of India grant or not. Hon'ble Minister (Agriculture) Hon'ble Minister (Finance) and Hon'ble Premier have agreed to place ese proposals before the cabinet for consideration.

5. The case is accordingly placed before the cabinet for orders:

(i) whether the proposal of the Joint Director of Agriculture to provide a sum of Rs.20.61 lakhs in the current year towards the purchase of tractors and their equipments mentioned in paragraph 2 above will be approved;

(ii) whether the Joint Director of Agriculture will be authorised to incur the expenditure in anticipation of the allotment of funds;

(iii) if a provision of Rs.20.61 lakhs is made in the current year as suggested in (i) above, whether any cut in the number of additional tractors to be purchased in the current year and for which further sums will have to be provided by a supplementary grant will be considered necessary; and

(iv) whether permission will be accorded to the cabinet sub committee to sanction all Grow More Food schemes irrespective of the fact whether they are eligible for a grant from the government of India or not.

A.B. Shetty,
Minister of Agriculture.

Compared
M. Mohd. Hamiduddin 9/6.
N. Raghavan.

V.N.M. 9/6 (TRUE COPY)